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June 25, 2008

**VIA ECFS**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, D.C. 20554

Re: *Notice of Ex Parte Presentation*: In the Matter of Petitions of Qwest Corporation for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Denver, Minneapolis-St. Paul, Phoenix, and Seattle Metropolitan Statistical Areas, WC Docket No. 07-97

Dear Ms. Dortch:

Yesterday, Joseph Gillan, Thomas Jones, of Willkie Farr & Gallagher, LLP, and the undersigned, of Kelley Drye & Warren, LLP, met with Tim Stelzig, Denise Coca, Al Lewis, Pam Megna, Adam Kirschenbaum, Jay Atkinson, and Margaret Dailey of the Wireline Competition Bureau. During that meeting, we presented information addressing the question of whether wireless-only lines should be included in the Commission's Section 251(c)(3) forbearance analysis and, if the Commission chooses to include wireless-only lines in its calculation of competitive market penetration in the MSAs at issue, what data measuring wireless-only penetration is most reliable and how that data should be interpreted.

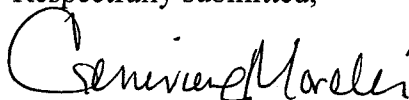
Attached to this *Notice of Ex Parte Presentation* is a copy of the materials provided at the meeting. The materials contain an update to Table 4 in the Gillan Associates white paper entitled *Properly Assessing the Size of the Wireless-Only Market* (Mar. 2008), filed in the above-captioned proceeding on April 22, 2008.

**KELLEY DRYE & WARREN LLP**

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Kindly date stamp the duplicate of this letter and return it to the courier. Please contact the undersigned at (202) 342-8531, if you have any questions about this letter.

Respectfully submitted,

A handwritten signature in cursive script, reading "Genevieve Morelli". The signature is written in dark ink and is positioned directly below the phrase "Respectfully submitted,".

Genevieve Morelli

Enclosures

### Applying Corrective Adjustments to May 2008 CDC Survey Data

| Region    | New CDC Regional Estimate <sup>1</sup> | Adjusted to Remove 18-24 Age Group <sup>2</sup> | Adjustment to Determine Lower Bound <sup>3</sup> of CI | Corrected Estimate of Wireless-Only Market |
|-----------|--|---|--|--|
| Northeast | 10.0%                                  | 7.7%  | (2.9%)   | 4.9%                                       |
| Midwest   | 15.3%                                  | 10.4%   | (1.7%)   | 8.7%                                       |
| South     | 17.1%                                  | 12.5%   | (2.1%)   | 10.5%                                      |
| West      | 12.9%                                  | 8.8%  | (2.2%)   | 6.6%                                       |

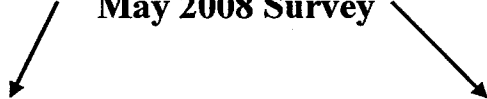
<sup>1</sup> Source: Wireless Substitution: Early Release of Estimates from the National Health Interview Survey, July-December 2007, May 13, 2008 ("*May 2008 CDC Survey*"), Table 2.

<sup>2</sup> Source: Effect of removing the 18-24 age group is estimated by applying the same percentage decrease calculated from removing the 18-24 age group from the CDC Wireless Survey for January-December 2007. *See Properly Estimating the Size of the Wireless-Only Market*, Gillan Associates, March 2008, Table 4.

<sup>3</sup> Source: *May 2008 CDC Survey*, Table 2.


### Comparing May 2008 Confidence Intervals to December 2007 Point-Estimates

**95% Confidence Interval from  
May 2008 Survey**



| <b>Region</b> |       | <b>Lower Bound</b> |       | <b>Upper Bound</b> |
|---------------|-------|--------------------|-------|--------------------|
| Northeast     |       | 7.1%               | 8.8%  | 13.8%              |
| Midwest       |       | 13.6%              | 14.0% | 17.3%              |
| South         | 14.9% | 15.1%              |       | 19.4%              |
| West          |       | 10.7%              | 10.9% | 15.5%              |

**Point-Estimates from  
December 2007 Survey<sup>1</sup>**



<sup>1</sup> Source: Wireless Substitution: Early Release of Estimates from the National Health Interview Survey, January-June 2007, December 11, 2007, Table 2.

## Understanding how the CDC Defines “Wireless Only”

### **From 2003-2006, “Wireless-Only” defined by:**

A family is defined as no landline, if there is a “no” to either of the following:

- What is the a telephone number here?
- Is there at lease one telephone inside your home that is currently working?

Then, if already defined as no landline, the following must be answered yes:

- Do you/Does anyone in your family have a working cell phone?

Alternatively, if a family is initially classified as having a landline, but then answers “no” to the following, they are classified as Wireless-Only:

- Is there at least one telephone inside your home that is currently working and is not a cell phone?

### **In 2007, “Wireless-Only” is defined by:**

A family is defined as no landline, if there is a “no” to either of the following:

- What is the telephone number here?
- Is there at lease one telephone inside your home that is currently working that is not a cell phone?

If no landline, then a “yes” to the following assigns the family to “Wireless-Only”:

- Do you/Does anyone in your family have a working cell phone?